

The following is an English translation of the Notice of the 62nd Ordinary General Meeting of Shareholders of Shima Seiki Mfg., Ltd., to be held on June 28, 2023. The Company provides this translation for reference and convenience only and without any guarantee as to its accuracy.

Securities Code: 6222

June 8, 2023

To: Our Shareholders

85 Sakata, Wakayama
SHIMA SEIKI MFG., LTD.
Mitsuhiro Shima
President

Notice of the 62nd Ordinary General Meeting of Shareholders

We would like to take this opportunity to thank you for your kind and continuous support. Shima Seiki Mfg., Ltd., (the "Company") will convene the 62nd Ordinary General Meeting of Shareholders as stated below.

The Company takes measures for the electronic provision of the convocation of this general meeting of shareholders. Matters subject to measures for the electronic provision are posted on the following websites.

«The Company's website»

<https://www.shimaseiki.com/ire/meeting/>

«Tokyo stock exchange(TSE)'s website(TSE Listed Company Search)»

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the above-mentioned TSE website, and then enter and search the issue name (company name) or code and select "Basic Information and Documents for Public Inspection/PR Information" in order before checking out the field Notice of General Shareholders' Meeting /Informational Materials for a General Shareholders' Meeting)

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. In such a case, please review the reference document for the General Meeting of Shareholders provided below and cast your vote by 5:45 p.m., Tuesday, June 27, 2023.

- 1. Date and Time** 10:00 a.m., Wednesday, June 28, 2023 (reception starts at 9:00 a.m.)
- 2. Place** High-Vision Hall, Company Headquarters, 85 Sakata, Wakayama
- 3. Objectives**

1. The business report, consolidated financial statements, and the results of the consolidated financial statements of audits by the accounting auditor and the Audit & Supervisory Committee for the 62nd business period from April 1, 2022, to March 31, 2023.

2. The unconsolidated financial statements for the 62nd business period from April 1, 2022, to March 31, 2023.

Matters to report

Proposals to resolve

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Partial Amendments to the Articles of Incorporation

Proposal No. 3: Appointment of Six (6) Directors (excluding Directors who are Audit & Supervisory Committee Members)

4. Matters determined for convocation

● Documents delivered are concurrently served as documents stating the matters subject to measures for electronic provision based on a request for delivery of materials in a paper-based format. According to the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, among the matters subject to the measures for electronic provision, the following are not included in the notice of convocation.

- (i) Consolidated statements of changes in net assets and notes to the consolidated financial statements
- (ii) Unconsolidated statements of changes in net assets and notes to the unconsolidated financial statements

Therefore, the notice of convocation consists of a part of the consolidated financial statements and unconsolidated financial statements audited for preparation of the audit report by the Audit and Supervisory Committee and the accounting audit report by the accounting auditor.

- In the case of executing voting rights both via the internet and mail, the execution of voting rights via the internet shall be deemed to be effective. If voting rights are exercised more than once via the Internet, the last exercise of such rights will be deemed the valid and official vote.
- Any returned voting instruction form with no instruction of the pros and cons of proposals will be deemed to show approval.

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- ◎ Any revisions to matters subject to measures for electronic provision would be posted on the websites where the matters are posted.
 - ◎ Shareholders attending the meeting are asked to submit the enclosed voting form to the receptionist at the venue. In addition, please take this notice with you to save resources.
 - ◎ Please exercise voting rights in advance by mailing the Voting Rights Exercise Form or online. For more details of the way to exercise voting rights, please see p. 3–4 in this notice.
 - ◎ The video concerning the matters to be reported on the day of the General Meeting of Shareholders will be available on our website later. Please see it. (<https://www.shimaseiki.co.jp/irj/irj.html>)
 - ◎ In the event changes in the operation of the General Meeting of Shareholders arise from future conditions, we will be announced on our website. (<https://www.shimaseiki.co.jp/irj/irj.html>)
 - ◎ **There are no presents prepared for shareholders attending the General Meeting of Shareholders. We hope you will understand.**

Instructions on the Exercise of Voting Rights

When exercising voting rights via the Internet:

Please access the website to exercise voting rights as specified by the Company (<https://evote.tr.mufg.jp/>) by personal computer or smartphone using the login ID and Temporary Password printed on the enclosed voting form. Enter your vote of approval or disapproval according to the guidance on the screen.

Please refer to the next page for more information.

Exercise period: No later than 5:45 p.m., Tuesday, June 27, 2023.

When exercising voting rights in writing:

After indicating approval or disapproval of the proposals on the enclosed voting form, please return the completed form to the Company.

* Please consider the postal situation and post your voting form as soon as possible to ensure its reliable arrival.

Exercise period: No later than 5:45 p.m., Tuesday, June 27, 2023.

When attending the General Meeting of Shareholders:

Please present the enclosed voting form to the receptionist at the meeting.

Time and date of the meeting: 10:00 a.m., Wednesday, June 28, 2023.

(Notes)

*If voting rights are exercised both via the Internet and in writing, the exercise of such voting rights via the Internet will be deemed valid.

Procedures for Exercising Voting Rights via the Internet

Exercise voting rights via the Internet by accessing the Company's designated voting rights website (<https://evote.tr.mufg.jp/>) via personal computer or smartphone.

(However, access is not available from 2:00 a.m. to 5:00 a.m. daily.)

How to read the QR code

Access the website via smartphone without entering the login ID and temporary password. You may log in to the website by scanning the QR code for the login provided on the right-hand side of the voting stub of the enclosed Voting Rights Exercise Form.

How to enter the login ID and temporary password (if you use your PC or smartphone)

If you log in to the website, please follow the instructions below.

Please confirm the login ID and temporary password, which are indicated on the enclosed Voting Rights Exercise Form. You will need to enter them when you exercise voting rights via the Internet.

Inquiries about the system

Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division (Help Desk)
Phone: 0120-173-027 (9:00 a.m. to 9:00 p.m. <Tokyo Time>; toll-free within Japan only)

Institutional investors may use the electronic voting platform operated by ICJ, Inc., to exercise voting rights via the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company has made it the basic policy to pay stable dividends over the long term through continuous business development by setting profit returns to shareholders as one of the most important managerial issues.

In addition, the Company has a policy of investing balanced allocations for growth from the long-term perspective and internal reserve in preparation for future business development.

Under these policies, the Company proposes to pay a year-end dividend per share of 5 yen for the current fiscal year.

Year-End Dividends

- (1) Type of dividend property
Cash
- (2) Distribution of dividends to shareholders and total of dividends
5 yen per share of common stock of the Company.
This will amount to total dividends of 172,571,345yen.
- (3) Effective date of the distribution of retained earnings
June 29, 2023

The interim dividend per share of 5 yen was paid; consequently, the annual dividend per share, which consists of interim and year-end dividends, amounts to 10 yen.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments to the articles of incorporation

The amendments are to make additions and changes to the purposes of businesses in Article 2 (Purpose) of the existing Articles of Incorporation in order to respond to the diversification of our business activities.

2. Details of the amendments

Details of the amendments are as follows.

(The underlined portions are to be amended)

Current Articles of Incorporation	Proposed Amendments
(Purpose)	(Purpose)
Article 2. The Company shall be designed to operate the following businesses	<u>Article 2.</u> The Company shall be designed to operate the following businesses
1. ~ 7. (Omitted)	1. ~ 7. (No amendments)
<u>8.</u> ~ <u>9.</u> (Omitted)	<u>9.</u> ~ <u>11.</u> (No amendments)
<u>11.</u> Production, processing, import, and export and sales of foods and daily goods	<u>12.</u> <u>Planning, production, processing, import, and export and sales of foods and daily goods</u>
<u>12.</u> ~ <u>14.</u> (Omitted) (Newly added)	<u>13.</u> ~ <u>15.</u> (No amendments)
<u>15.</u> (Omitted)	<u>16.</u> <u>Manufacturing, sales, and repair of agricultural equipment and production, processing, and sales of agricultural products</u>
<u>16.</u> Planning <u>and</u> management of accommodation facilities and drinking and dining facilities (Newly added)	<u>17.</u> (No amendments)
<u>17.</u> (Omitted) (Newly added)	<u>18.</u> <u>Planning, management, and contracting operation of accommodation facilities, drinking and dining facilities, and agricultural facilities</u>
<u>18.</u> ~ <u>22.</u> (Omitted)	<u>19.</u> <u>Work-style reform support business and next generation talent development support business</u>
	<u>20.</u> (No amendments)
	<u>21.</u> <u>Land transportation business, cargo handling business, warehousing business, and freight forwarding business</u>
	<u>22.</u> ~ <u>26.</u> (No amendments)

Proposal No. 3: Appointment of Six (6) Directors
(excluding Directors who are Audit & Supervisory Committee Members)

For the current eight (8) directors (excluding directors who are Audit & Supervisory Committee members), their terms of office will expire at the closing of the General Meeting of Shareholders. In line with this, the Company asks you to appoint six (6) directors (excluding directors who are Audit & Supervisory Committee members).

As a result of the discussion on the proposal at the Audit & Supervisory Committee, the opinion was expressed that all candidates for directors were determined appropriate, and there were no particular matters to be stated at the general meeting of shareholders.

The candidates for directors (excluding directors who are Audit & Supervisory Committee members) are as follows:

Candidate No.	Name	Present position in the Company	Characteristics			Number of times in attendance at the meeting of the Board of Directors
1	Mitsuhiro Shima	President, Representative Director	Reappointment			13/13 times
2	Takashi Nanki	Director	Reappointment			13/13 times
3	Akihiro Ohtani	Director	Reappointment			13/13 times
4	Shosaku Kitagawa	Director	Reappointment			13/13 times
5	Yoshio Ichiryu	Director	Reappointment	Outside	Independent	13/13 times
6	Rieko Zamma	Director	Reappointment	Outside	Independent	13/13 times

No.	Name (Date of birth)	Profile, position, responsibility, and significant concurrent positions	Number of shares of the Company held
1	Mitsuhiro Shima (June 23, 1961) <u>Reappointment</u>	<p>March 1987 Joined the Company</p> <p>March 1998 General Manager of the System Development Division</p> <p>June 2002 Director, General Manager of the System Development Division</p> <p>June 2007 Executive Director in charge of the Control System Development Division, Intellectual Property Department and Total Design Center, General Manager of the Graphic System Development Division</p> <p>June 2011 Senior Executive Director in charge of the Machinery Production Technology Division and Total Design Center, Director of the Production Headquarters</p> <p>June 2012 Executive Vice President in charge of the Corporate Planning Division and Total Design Center, Deputy Director of the Sales Headquarters</p> <p>June 2017 President, Representative Director, Director of the Sales Headquarters of the Company in charge of the Corporate Planning Division</p> <p>June 2018 President, Representative Director and Executive Officer, in charge of the Corporate Planning Division</p> <p>June 2020 President, Representative Director and Executive Officer, Director of the Sales Headquarters in charge of the Total Design Center and Corporate Planning Division</p> <p>June 2021 President, Representative Director and Executive Officer and Director of the Sales Headquarters in charge of the Total Design Center</p> <p>June 2022 President, Representative Director and Executive Officer, Director of Sales Headquarters in charge of Internal Auditing Division and (current)</p>	1,061,600 shares
<p>[Reasons for nomination as a candidate for director]</p> <p>Mr. Mitsuhiro Shima has a wide range of work experience as a person responsible for R&D, manufacturing, and sales and substantial experience and knowledge in management as a director. He has served as president and representative director since 2017 and has been engaged in the control of the group, including leading the establishment of the long-term vision and preparation of the medium-term management plan to make decisions regarding significant matters on the management and supervise the execution of operations.</p> <p>Based on experience and the insights gained via the above, he was nominated as a candidate for director because of the need for sustainable growth and an increase in the enterprise value of the company.</p>			

No.	Name (Date of birth)	Profile, position, responsibility, and significant concurrent positions	Number of shares of the Company held
2	Takashi Nanki (March 28, 1959) <u>Reappointment</u>	<p>March 1986 Joined the Company</p> <p>November 2008 General Manager of the Accounting Division</p> <p>May 2010 General Manager of the Accounting and Finance Division</p> <p>June 2010 Director in charge of Administration Division, General Manager of the Accounting and Finance Division</p> <p>March 2013 Director in charge of the Administration Division and Physical Distribution Division; General Manager of the Accounting and Finance Division</p> <p>July 2013 Director in charge of the Physical Distribution Division, General Manager of the Accounting and Finance Division</p> <p>November 2014 Director, General Manager of the Accounting and Finance Division, in charge of the Physical Distribution Division</p> <p>March 2016 Director, General Manager of the Accounting and Finance Division, in charge of the Administration Division and Physical Distribution Division</p> <p>June 2018 Director, Executive Officer, and General Manager of the Accounting and Finance Division in charge of the General Affairs and Personnel Division, Administration Division, and Physical Distribution Division</p> <p>June 2020 Director, Executive Officer, Director of the Administrative Headquarters in charge of the Physical Distribution Division</p> <p>June 2021 Director, Executive Officer, General Manager of Accounting and Finance Division in charge of the Administrative Division and the Physical Distribution Division (current)</p>	1,000 shares
<p>[Reasons for nomination as a candidate for director]</p> <p>Mr. Takashi Nanki serves as general manager of the Accounting and Finance Division and has a wealth of insights and actual results regarding business management of the company group. He makes decisions about important managerial matters and supervises the execution of operations from a financial perspective, and appropriately performs the duties and responsibilities as director.</p> <p>Based on experience and the insights gained via the above, he was nominated as a candidate for director because of the need for sustainable growth and an increase in the enterprise value of the company.</p>			

No.	Name (Date of birth)	Profile, position, responsibility, and significant concurrent positions	Number of shares of the Company held	
3	Akihiro Ohtani (November 20, 1963) <u>Reappointment</u>	August 1988 March 2018 June 2018 June 2021	Joined the Company General manager of the Production Headquarters Executive officer and general manager of the Production Headquarters Director, Executive officer, General Manager of the Production Headquarters in charge of the Development Headquarters (current)	1,300 shares
		<p>[Reasons for nomination as a candidate for director]</p> <p>Mr. Akihiro Ohtani has been engaged in the operations of the Development and Manufacturing divisions since joining the Company and has a wealth of experience and insights in areas ranging from product development to manufacturing. He now supervises the production and manufacturing departments as general manager of the Production Headquarters and makes decisions about important managerial matters and supervises the execution of operations as director, and appropriately performs his duties and responsibilities.</p> <p>Based on experience and the insights gained via the above, he was nominated as a candidate for director because of the need for sustainable growth and an increase in the enterprise value of the company.</p>		
4	Shosaku Kitagawa (June 23, 1967) <u>Reappointment</u>	March 1991 March 2016 June 2018 June 2021	Joined the Company General manager of the Corporate Planning Division Executive officer and general manager of the Corporate Planning Division Director, Executive officer, General Manager of the Corporate Planning Division in charge of General Affairs and the Personnel Division and the Information System Division (current)	500 shares
		<p>[Reasons for nomination as a candidate for director]</p> <p>Mr. Shosaku Kitagawa serves as the general manager of the Corporate Planning Division and is initiatively engaged in preparing the medium-term management plan. In addition to the financial viewpoint, he has a wealth of experience and general knowledge in the business management division as he has been in charge of the General Affairs and Personnel Division and Information System Division since 2021. He also supervises the strengthening of corporate governance and internal control areas, including compliance and risk management. He appropriately performs duties and responsibilities as director.</p> <p>Based on experience and the insights gained via the above, he was nominated as a candidate for director because of the need for sustainable growth and an increase in the enterprise value of the company.</p>		

No.	Name (Date of birth)	Profile, position, responsibility, and significant concurrent positions	Number of shares of the Company held
5	<p>Yoshio Ichiryu (January 3, 1946)</p> <p><u>Reappointment</u></p> <p><u>Outside</u></p> <p><u>Independent</u></p>	<p>April 1968 Joined the Ministry of International Trade and Industry (now Ministry of Economy, Trade and Industry)</p> <p>June 1993 Director-General, MITI-Kinki Bureau</p> <p>June 1995 Director-General, Machinery and Information Industries Policy, Machinery and Information Industries Bureau</p> <p>August 1996 Director-General for Policy Coordination, Minister's Secretariat</p> <p>June 1998 Retired the MITI</p> <p>July 2000 Established Ichiryu Associates, Inc. President & CEO (current)</p> <p>June 2014 Director (current)</p> <p>January 2023 Establish General Incorporated Association Research Organization for Building Japan's Future (current)</p> <p>(Significant concurrent positions)</p> <p>President & CEO, Ichiryu Associates, Inc. Representative Director, General Incorporated Association Research Organization for Building Japan's Future Outside Director, SALA Corporation</p>	11,300 shares
<p>[Reasons for nomination as a candidate for outside director and expected roles]</p> <p>Mr. Yoshio Ichiryu has a wealth of experience in the areas of economic and industrial policy, as well as a wide range of views and experience in general management as a business entrepreneur and performs an appropriate role as outside director in the supervision of the execution of operations from an objective standpoint independent of management. He also contributes to securing the health and transparency of the company's management as chair of the Nominating and Remuneration Committee, which is an advisory body to the Board of Directors.</p> <p>He was determined as a candidate for outside director as he was continuously expected to give advice from a wide management viewpoint and supervise the execution of operations.</p>			

No.	Name (Date of birth)	Profile, position, responsibility, and significant concurrent positions	Number of shares of the Company held
6	Rieko Zamma (March 21, 1950) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>April 1970 Joined Shizuoka Broadcasting System Co., Ltd.</p> <p>June 1973 Joined Kobunsha Co., Ltd.</p> <p>June 1980 Established Candid, Inc. (Merged with Candid Produce, Inc. in May 2021) CEO</p> <p>July 2005 Established Creative Senior, Inc. (now Candid Produce, Inc.) CEO (current)</p> <p>January 2009 Established club willbe, a network for grownups Representative (current)</p> <p>June 2016 Director (current)</p> <p>(Significant concurrent positions) CEO, Candid Produce, Inc. Outside Director, Fujita Kanko Inc. Outside Director, Open Up Group Inc. (the former BeNEXT-Yumeshin Group Co.)</p>	700 shares
<p>[Reasons for nomination as a candidate for outside director and expected roles]</p> <p>Ms. Rieko Zamma has a wealth of experience in event planning and public relations strategy as a producer, as well as a wide range of views and experience in general management as a business entrepreneur. She also performs an appropriate role as outside director in the supervision of the execution of operations from an objective standpoint independent of management. She also contributes to securing the health and transparency of the company's management as a member of the Nominating and Remuneration Committee, which is an advisory body to the Board of Directors.</p> <p>She was determined as a candidate for outside director as she was continuously expected to give advice from a wide management viewpoint and supervise the execution of operations.</p>			

(Notes)

- Director candidate Mr. Mitsuhiro Shima have all the shares of Wajima Kosan Co., Ltd., a major shareholder of the Company, and the Company has transaction relationships in real estate leasing with Wajima Kosan.
There are no special interests between other director candidates and the Company.
- The number of shares held by each candidate includes their shareholding through the stock ownership plan for officers of Shima Seiki.
- The Company has an agreement with Mr. Yoshio Ichiryu and Ms. Rieko Zamma concerning the limitation of liability for damage as provided in Article 423, Paragraph 1, of the Companies Act. The limit of liability under the agreement is the minimum liability provided in Article 425, Paragraph 1, of the same law. The Company will maintain the above agreement with both persons concerning the limitation on liability for damage if they are reappointed.
- The Company has the directors and officers liability insurance policy, which is stipulated in Article 430-3, Paragraph 1, of the Companies Act, with all directors being insured. The insurance policy covers damages arising from the fact that the insured directors are responsible for executing their duties or claims against them related to the pursuit of their responsibilities. Candidates for director are insured by the insurance policy when they become a director. The insurance policy will be renewed during their terms of office without changes in its provisions.
- Matters concerning candidates for outside director are as follows.
 - Mr. Yoshio Ichiryu and Ms. Rieko Zamma are candidates for outside director.
 - Mr. Yoshio Ichiryu will serve as an outside director for nine years as of the end of the general meeting of shareholders.
 - Ms. Rieko Zamma will serve as an outside director of the Company for seven years as of the end of the general meeting of shareholders.
- The Company designated Mr. Yoshio Ichiryu and Ms. Rieko Zamma as independent officers based on the provisions of the Tokyo Stock Exchange and reported this to the exchange.

[Reference] Policy and procedure for appointing Directors

Candidates for directors (excluding directors who serve as Audit and Supervisory Committee members) are composed so that, as a whole, directors can have well-balanced knowledge, experience, abilities, and expertise to effectively perform their roles and responsibilities, and the diversity of the Board of Directors can be balanced with the adequate scale of the Board.

Candidates for independent and outside directors among the directors shall meet the standards of independence for outside directors and include those with experience in business management.

Nomination of candidates for directors, representative directors, and directors with positions of responsibility is discussed by the Nominating and Remuneration Committee, which is chaired by an outside director, to increase the transparency and objectivity of the nomination, and is determined by a resolution of the Board of Directors following the recommendation of the committee.

[Reference] Skills matrix of candidates of directors

Expertise and experience desired to candidates of directors are as follows:

			Expertise and experience desired to individual candidates of directors								
	Name	Position (current)	Business management Management strategy	R&D, production Innovation Production	IT DX	Sales Marketing	Internationality	Finance and accounting (Capital policy)	Legal affairs Compliance Risk management	Personnel affairs Human resource development	ESG Sustainability
1	Mitsuhiro Shima	President, Representative Director and Executive Officer	●	●	●	●	●		●		●
2	Takashi Nanki	Director and Executive Officer	●		●			●	●	●	●
3	Akihiro Ohtani	Director and Executive Officer	●	●	●						●
4	Shosaku Kitagawa	Director and Executive Officer	●		●			●	●	●	●
5	Yoshio Ichiryu	Outside Director	●				●		●	●	●
6	Rieko Zamma	Outside Director	●			●				●	●

[Reference] Criteria for the independence of outside directors

All the following requirements shall be satisfied to determine that outside directors are independent of the Company:

1. Outside directors have not been an executor of the business^{Note 1} of the Company and its affiliated companies (hereinafter called “our group”) for the past ten years.
2. Outside directors do not now nor have in the past three years met any of the following conditions:
 - (1) A person whose major client is our group^{Note 2} or its executor of business
 - (2) A major client of our group^{Note 3} or its executor of business
 - (3) A major shareholder (a person directly or indirectly holding 10% or more of all voting rights) of the Company or its executor of business
 - (4) An executor of the business of a person whose major shareholder (directly or indirectly holding 10% or more of all voting rights) is our group
 - (5) A consultant, accounting specialist, such as a certified public accountant, or a specialist in the law, such as an attorney who receives money and other properties^{Note 4} from the group, in addition to a director’s remuneration (a person belonging to a legal entity and a union in the case where the organization receives the above properties)
 - (6) A person who receives large contributions in money and other property^{Note 4} from our group or its executor of business
 - (7) An executor of the business of other companies where an executor of the business of our group is an outside officer
 - (8) The spouse or relative within the second degree of a person meeting the criteria of (1)–(7) above in the case where the person is significant
 - (9) The spouse or relative within the second degree of a person executing significant business, such as a director (excluding an outside director), and the person responsible for the divisions of our group
3. There are no other reasons for judging it reasonable that outside directors fail to perform duties as independent outside directors

Note 1: An executor of business means an executive director, company executive, executive officer, and employee executing business and other persons executing business, such as a position holder and employee similar to the above of legal entities and other organizations.

Note 2: A person whose main client is our group means a person whose annual amount of trade with our group is above 100 million yen or 2% of consolidated sales.

Note 3: A major client of our group means a person whose annual amount of trade with our group is above 100 million yen or 2% of our group’s consolidated sales, and loans to our group are above 2% of our group’s consolidated total assets.

Note 4: Large amounts of money and other property mean that the total amount is more than 10 million yen per year for individuals and 2% of annual net sales for organizations.